

GUIDE FOR LEGISLATIVE CANDIDATES AND THEIR COMMITTEE OFFICERS

Revised 10/11

Please see Chapter 68A and the Board's rules in 351-Chapter 4 for further guidance

WHO MUST FILE

Any legislative candidate who receives contributions (including loans), makes expenditures (including personal funds), or incurs indebtedness in excess of \$750 in a calendar year must organize and register a committee by filing a statement of organization (DR-1) [68A.201]. Remember that a debt is incurred when an item is ordered, not when the bill is received. The statement must be filed within 10 days of crossing the \$750 threshold.

All registered candidate committees are required to file Disclosure Reports on scheduled due dates [68A.402]. A Disclosure Report is a DR-2, Summary Page and a statement of contributions received, expenditures made, and indebtedness incurred (see CONTENTS OF A DISCLOSURE REPORT below).

If a committee, after having filed a Statement of Organization (DR-1) or one or more disclosure reports, determines that it will no longer receive contributions or make disbursements, the committee shall notify the Board within thirty days following such dissolution or determination by filing a Statement of Dissolution (DR-3) [68A.402B].

GENERAL PROVISIONS

1. Every candidate committee shall appoint a treasurer who shall be an Iowa resident that has reached the age of majority. Every candidate committee shall maintain all of the committee's funds in bank accounts in a financial institution located in Iowa [68A.203(1)].
2. The treasurer shall deposit all funds within seven days of receipt by the treasurer in an account maintained by the committee. A person, other than a candidate or committee officer, who receives contributions on behalf of the committee shall deliver the funds to the treasurer within fifteen calendar days of the date of the contribution[68A.203(2)].
3. A candidate and the candidate's committee shall use campaign funds only for campaign purposes, educational and other expenses associated with the duties of office, or constituency services, and shall not use campaign funds for personal expenses or benefit. [68A.302 and administrative rule 351-4.25].

PROHIBITED MONETARY/IN-KIND CONTRIBUTIONS

- * Anonymous contributions in excess of \$10 [68A.501]
- * Contributions in the name of another[68A.502]
- * Corporations, banks, credit unions, savings and loans, and insurance companies [68A.503]
- * Contributions during regular legislative session (see below)[68A.504]

DUE DATES OF DISCLOSURE REPORTS

After registering and organizing a committee due to crossing the \$750 threshold, campaign disclosure reports are due on regularly scheduled reporting dates [68A.402]. Follow this link for current information on reporting dates for Statewide & General Assembly candidates.

http://www.iowa.gov/ethics/campaigns/report_dates/sw_ga_cand.htm

CIVIL PENALTIES

A candidate's committee is subject to civil penalties for failing to timely file reports [68A.401]. To be considered timely, a report must be electronically filed on the due date. The report may be filed electronically using the Board's web site at www.iowa.gov/ethics. Failing to file a report or evidence of an intentional failure to file can lead to the imposition of additional criminal and civil sanctions. A person using the Board's electronic filing system shall not be assessed a civil penalty if the Board's electronic filing system is not properly functioning and causes the person to be unable to timely file the report [Administrative rule 351-4.59].

CONTENTS OF A DISCLOSURE REPORT

A report consists of a completed Disclosure Summary Page (DR-2) and appropriate Schedules to support the entries:

Schedule A - Contributions: Include all money received (dates, names/addresses, amounts, and relationships as applicable). Include PAC I.D. number.

Schedule B - Expenditures: Include all expenditures (dates, names/addresses, purpose, and amount as applicable).

Schedule D - Incurred Indebtedness: Include all debts incurred, but not paid at end of reporting period.

Schedule E - In Kind Contributions: Include donors of goods or services, description, estimated fair market value, and relationship of contributor to candidate (as applicable).

Schedule F - Loans: Include loans made to committee and repayments, including original loan source, and relationship (as applicable).

Schedule G - Consultant Activity: Include details of any contracts between the committee and consultants (see Consultant section below).

Schedule H - Campaign Property: Ongoing records of equipment, supplies and materials purchased with campaign funds or received in-kind with an initial value of \$500 or more. This will continue to be listed with the current residual value until it falls under \$100.

*NOTE: All Schedules must list complete name and address of contributors in excess of \$25 in a calendar year, and of expenditures of \$5 or more{68A.402A(1)}.

*NOTE: A candidate's committee shall submit a copy of a campaign bank statement including a reconciliation to justify outstanding checks and other discrepancies between the ending balance on the bank statement and the ending balance on a campaign statement or report when requested to do so by the Board [Administrative rule 351-4.21].

REPORTING OF CONTRACTS WITH "CONSULTANTS"

Candidates who enter into contracts with "consultants" must provide details of such contracts. A "consultant" is defined as a person who provides or procures services, such as consulting, advertising, organizing, polling, managing, fundraising or public relations for a candidate. A candidate's committee contracting with a consultant must report not only the expenditures made to the consultant, but must provide details of the contractual agreement, including the nature of performance expected and estimates of future performance. A breakdown of disbursements made by the consultant must also be reported, including name and address of the recipient, amounts, purposes and dates. The amounts paid to the consultant are reported with other expenditures on Schedule B. The dates and details of the contract and the disbursement breakdowns are reported on Schedule G [Administrative rule 351-4.19].

ADVERTISING REQUIREMENTS

See Paid for by attribution brochure

RECEIVING CONTRIBUTIONS FROM COMMITTEES OUTSIDE IOWA

Out-of-state and federal PACs that make contributions to you in excess of \$50 are required to file a Verified Statement of Registration (VSR) with the Board. You may want to contact these committees when they make contributions to you and remind them they have separate filing responsibilities with the Board {68A.201A}.

CONTRIBUTIONS DURING LEGISLATIVE SESSION PROHIBITED

A lobbyist or political committee, other than a state statutory political committee, county statutory political committee, or a national political party, shall not contribute to, act as an agent or intermediary for contributions to, or arrange for the making of monetary or in-kind contributions to the campaign of an elected state official, member of the general assembly, or candidate for state office on any day during the regular legislative session and, in the case of the governor or a gubernatorial candidate, during the thirty days following the adjournment of a regular legislative session allowed for the signing of bills [68A.504].

EXCEPTIONS: Contributions to candidates in a general assembly special election held or called during the legislative session are permitted, but only from the date that at least two candidates have been nominated through the day the election is held. Also, a state officeholder seeking federal office may receive such contributions when placed in the candidate's federal account [68A.504(2)].

DISCLOSURE REPORTING SUGGESTIONS

Candidates have sole responsibility under the law for accurate and timely disclosure reports so keep in touch with your treasurer.

When you "pass the hat", announce that you MUST have names/addresses of those who will contribute more than \$10. You must keep internal records of each donor of more than \$10. Although you only need to disclose contributors on your report once they have exceeded \$25 in a calendar year [Administrative rule 351-4.14(4)].

Be sure campaign workers promptly deliver checks and cash to the treasurer, as well as any bills they incur.

Start completing schedule pages of your disclosure report early in the reporting period. Check bank statements promptly and reconcile differences.

Be sure you know the correct name of PAC contributors. Do not list the corporate or sponsoring entity. List PAC ID numbers on Schedule A, including Out-of-State & Federal PACs. ID number lists are available on the Board's web site and within the Web Reporting System (WRS) for electronic filing.

Remember your reports are PUBLIC RECORDS, subject to review by your opponent, the media, and the general public.

DISCLAIMER

This brochure is intended to serve as general guidance and is not a restatement of the law or rules and is not legal advice. Please review Iowa Code chapter 68A and the Board's rules in Chapter 351 of the Iowa Administrative Code or contact the Board for further guidance.

FOR MORE INFORMATION CONTACT THE BOARD:

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